Form (2)

174-F
4.2.2015

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT

Permit No. 895/2015 Date 4th February 2015

This Permit is issued by the Myanmar Investment Commission according to the section 13, sub - section (b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter MR. CARLOS OLIVARES NAVA

(b) Citizenship FILIPINO

(c) Address 66 UNITED ST. MANDALUYONG CITY, PHILIPPINES 1550

(d) Name and Address of Principal Organization UNITED INDOCHINA HOLDINGS (PRIVATE) LIMITED, 152 BEACH ROAD, #10-03/04 GATEWAY EAST, SINGAPORE 189721

(e) Place of Incorporation SINGAPORE

(f) Type of Investment Business MANUFACTURING AND MARKETING OF ORAL CARE PRODUCTS AND SKIN CARE PRODUCTS

(g) Place (s) at which Investment is permitted PLOT NO. 179, TWIN THIN TITE WON U TUN NYO STREET, HLAING THAR YAR INDUSTRIAL ZONE (2), HLAING THAR YAR TOWNSHIP, YANGON REGION

(h) Amount of Foreign Capital US $ 2.10 MILLION

(i) Period for Foreign Capital brought in WITHIN TWO MONTHS FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US $ 3.00 MILLION (INCLUDING US $ 2.10 MILLION)

(k) Construction period -

(l) Validity of investment permit 50 YEARS

(m) Form of investment JOINT VENTURE

(n) Name of Company incorporated in Myanmar UNITED BEAUTY PALACE MYANMAR COMPANY LIMITED

Chairman
Myanmar Investment Commission

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်
ခွင့်ပြုမိန့်

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော် မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင် စာအမှတ် ...... ရက်စွဲ ......

ခွင့်ပြုမိန့်အမှတ် ၈၉၅/၂၀၁၅ ၂၀၁၅ ခုနှစ်၊ ဖေဖော်ဝါရီလ ၄ ရက်

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေ ပုဒ်မ ၁၃၊ ပုဒ်မခွဲ(ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ရင်းနှီးမြှုပ်နှံသူ/ကမကထပြုသူအမည် MR. CARLOS OLIVARES NAVA

(ခ) နိုင်ငံသား FILIPINO

(ဂ) နေရပ်လိပ်စာ 66 UNITED ST. MANDALUYONG CITY, PHILIPPINES 1550

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ UNITED INDOCHINA HOLDINGS (PRIVATE) LIMITED, 152 BEACH ROAD, #10-03/04 GATEWAY EAST, SINGAPORE 189721

(င) ဖွဲ့စည်းရာအရပ် SINGAPORE

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား MANUFACTURING AND MARKETING OF ORAL CARE PRODUCTS AND SKIN CARE PRODUCTS

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) မြေကွက်အမှတ် ၁၇၉၊ တွင်းသင်းတိုက်ဝန် ဦးထွန်းညိုလမ်း၊ လှိုင်သာယာစက်မှုဇုန်-၂၊ လှိုင်သာယာမြို့နယ်၊ ရန်ကုန်တိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း ပမာဏ အမေရိကန်ဒေါ်လာ ၂.၁၀ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်ခွင့်ပြုမိန့်ရရှိပြီး ၂လအတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၃ သန်းနှင့် ညီမျှသော မြန်မာကျပ်ငွေ (အမေရိကန်ဒေါ်လာ ၂.၁၀ သန်း အပါအဝင်)

(ဋ) တည်ဆောက်မှုကာလ -

(ဌ) ရင်းနှီးမြှုပ်နှံမှုခွင့်ပြုသည့် သက်တမ်း ၅၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ဖက်စပ်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီအမည် UNITED BEAUTY PALACE MYANMAR COMPANY LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION
No.(1), Thitsar Road, Yankin Township, Yangon

Our ref : DICA-3/FI-1089/2015(174-F) Tel: 01- 658128
Date : 4th February 2015 Fax:95-1-658141

Subject: **Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing and Marketing of oral care products and skin care products" under the name of "United Beauty Palace Myanmar Company Limited"**

Reference: United Beauty Palace Myanmar Company Limited dated on (26.8.2014)

1. The Myanmar Investment Commission, at its meeting (1/2015) held on (16-1-2015), had approved the proposal for investment in "Manufacturing and Marketing of oral care products and skin care products" under the name of "United Beauty Palace Myanmar Company Limited" submitted as a joint venture by United Indochina Holdings (Private) Ltd. (70%) from Singapore and Beauty Palace Company Limited (30%) from the Republic of the Union of Myanmar.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be initial 50(fifty) years and extendable for 10(ten) years in 2(two) times commencing from the date of the issuance of MIC permit.

4. The term of the Lease Agreement for land and buildings shall be initially 2(two) years and 8(eight) months subject to the term of the Land Grant of the Lease Agreement and extendable or renewable for another 4(four) months on mutual agreement between U Myo Aung, U Win Shein (Lessors) and United Beauty Palace Myanmar Co., Ltd. (Lessee).

5. For initial 2(two) years, the annual land and buildings rent shall be Kyat 132.00 million (Kyat one hundred and thirty two million only). The annual land and buildings rent for the last term 8(eight) months shall be Kyat 104.00 million (Kyat one hundred and four million only). For the renewed term, the monthly land

and buildings rent shall be Kyat 13.50 million (Kyat thirteen million and five hundred thousand only). All above land and buildings rental fees shall be calculated on the total area of 6,139.086 square metre (1.517) acres.

6. In issuing this "Permit," the Commission has granted the following exemptions and reliefs as per Chapter XII, section 27(a) and (i) of Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section 27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial production;

(b) As per section 27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

7. United Beauty Palace Myanmar Company Limited shall have to sign the Lease Agreement for land and joint venture agreement with Beauty Palace Company Limited. After signing of such Agreements, each of (5) copies shall have to be forwarded to the Commission.

8. United Beauty Palace Myanmar Company Limited in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation, Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.

9. United Beauty Palace Myanmar Company Limited shall use its best efforts for timely realization of works stated on the proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

10. United Beauty Palace Myanmar Company Limited has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

11. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be allowed more than twice except it is due to unavoidable

events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

12. As per Chapter X, Rule 63 of the Foreign Investment Rules, if the United Beauty Palace Myanmar Company Limited cannot construct completely in time the construction period or extension period, the Commission will have to terminate the permit issued to the investor and there is no refund for the expenses of the project.

13. The commercial date of operation shall be reported to the Commission.

14. United Beauty Palace Myanmar Company Limited shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.

15. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of the Foreign Investment Law. United Beauty Palace Myanmar Company Limited has to follow the existing Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

16. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rule 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under Chapter I, section 2(i) of the Foreign Investment Law, other than foreign currency.

17. Whenever United Beauty Palace Myanmar Company Limited brings in foreign capital defined under Chapter I, section 2(i) of the Foreign Investment Law, other than foreign currency in the manner stated in paragraph 16(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized

Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

18. United Beauty Palace Myanmar Company Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 of the Foreign Investment Rules and for account transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the Union and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of a citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

19. United Beauty Palace Myanmar Company Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

20. United Beauty Palace Myanmar Company Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted and to perform activities in accordance with this EMP and to abide by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

21. After getting permit from Myanmar Investment Commission, United Beauty Palace Myanmar Company Limited shall have to be registered at the Directorate of Industrial Supervision and Inspection.

22. United Beauty Palace Myanmar Company Limited shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake such as water storage tank, fire

extinguishers and provide training to use the fire fighting equipment and also to appoint the fire safety officer.

23. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc., shall only be made out of the local sales and export of United Beauty Palace Myanmar Company Limited.

24. United Beauty Palace Myanmar Company Limited in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

(Zay Yar Aung)
Chairman

United Beauty Palace Myanmar Company Limited

cc:
1. Office of the Union Government of the Republic of the Union of Myanmar
2. Ministry of Home Affairs
3. Ministry of Foreign Affairs
4. Ministry of Environmental Conservation and Forestry
5. Ministry of Electric Power
6. Ministry of Immigration and Population
7. Ministry of Industry
8. Ministry of Commerce
9. Ministry of Finance
10. Ministry of National Planning and Economic Development
11. Ministry of Labour, Employment and Social Security
12. Office of the Yangon Region Government
13. Director General, Directorate of Investment and Company Administration
14. Director General, Directorate of Industrial Supervision and Inspection
15. Director General, Department of Human Settlement & Housing Development
16. Director General, Customs Department
17. Director General, Internal Revenue Department

18. Director General, Directorate of Trade
19. Director General, Immigration and National Registration Department
20. Director General, Directorate of Labour
21. Director General, Department of Environmental Conservation
22. Director General, Fire Services Department
23. Managing Director, Myanma Foreign Trade Bank
24. Managing Director, Myanma Investment and Commercial Bank
25. Managing Director, Myanma Insurance
26. Managing Director, Myanma Electric Power Enterprise
27. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)